107TH CONGRESS 2D SESSION

S. 2335

To establish the Office of Native American Affairs within the Small Business Administration, to create the Native American Small Business Development Program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 25, 2002

Mr. Johnson (for himself, Mr. Kerry, Ms. Cantwell, Mr. Wellstone, Mr. Daschle, Mr. Baucus, Mr. Inouye, Mr. Bingaman, Ms. Stabenow, and Mrs. Clinton) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To establish the Office of Native American Affairs within the Small Business Administration, to create the Native American Small Business Development Program, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Native American Small
- 5 Business Development Act".

| 1 | SEC. 2. NATIVE AMERICAN SMALL BUSINESS DEVELOP- |
|----|---|
| 2 | MENT PROGRAM. |
| 3 | The Small Business Act (15 U.S.C. 631 et seq.) is |
| 4 | amended— |
| 5 | (1) by redesignating section 36 as section 37; |
| 6 | and |
| 7 | (2) by inserting after section 35 the following: |
| 8 | "SEC. 36. NATIVE AMERICAN SMALL BUSINESS DEVELOP- |
| 9 | MENT PROGRAM. |
| 10 | "(a) Definitions.—In this section— |
| 11 | "(1) the term 'Alaska Native' has the same |
| 12 | meaning as the term 'Native' in section 3(b) of the |
| 13 | Alaska Native Claims Settlement Act (43 U.S.C. |
| 14 | 1602(b)); |
| 15 | "(2) the term 'Alaska Native corporation' has |
| 16 | the same meaning as the term 'Native Corporation' |
| 17 | in section 3(m) of the Alaska Native Claims Settle- |
| 18 | ment Act (43 U.S.C. 1602(m)); |
| 19 | "(3) the term 'Assistant Administrator' means |
| 20 | the Assistant Administrator of the Office of Native |
| 21 | American Affairs established under subsection (b); |
| 22 | "(4) the terms 'center' and 'Native American |
| 23 | business center' mean a center established under |
| 24 | subsection (c); |
| 25 | "(5) the term 'Native American business devel- |
| 26 | opment center' means an entity providing business |

| 1 | development assistance to federally recognized tribes |
|----|---|
| 2 | and Native Americans under a grant from the Mi- |
| 3 | nority Business Development Agency of the Depart- |
| 4 | ment of Commerce; |
| 5 | "(6) the term 'Native American small business |
| 6 | concern' means a small business concern that is |
| 7 | owned and controlled by— |
| 8 | "(A) a member of an Indian tribe or tribal |
| 9 | government; |
| 10 | "(B) an Alaska Native or Alaska Native |
| 11 | corporation; or |
| 12 | "(C) a Native Hawaiian or Native Hawai- |
| 13 | ian organization; |
| 14 | "(7) the term 'Native Hawaiian' has the same |
| 15 | meaning as in section 625 of the Older Americans |
| 16 | Act of 1965 (42 U.S.C. 3057k); |
| 17 | "(8) the term 'Native Hawaiian organization' |
| 18 | has the same meaning as in section 8(a)(15) of this |
| 19 | Act; |
| 20 | "(9) the term 'tribal college' has the same |
| 21 | meaning as the term 'tribally controlled college or |
| 22 | university' has in section 2(a)(4) of the Tribally |
| 23 | Controlled Community College Assistance Act of |
| 24 | 1978 (25 U.S.C. 1801(a)(4)); |

| 1 | "(10) the term 'tribal government' has the |
|----|--|
| 2 | same meaning as the term 'Indian tribe' has in sec- |
| 3 | tion 7501(a)(9) of title 31, United States Code; and |
| 4 | "(11) the term 'tribal lands' means— |
| 5 | "(A) all lands within the exterior bound- |
| 6 | aries of any Indian reservation; and |
| 7 | "(B) all dependent Indian communities. |
| 8 | "(b) Office of Native American Affairs.— |
| 9 | "(1) Establishment.—There is established |
| 10 | within the Administration the Office of Native |
| 11 | American Affairs, which, under the direction of the |
| 12 | Assistant Administrator, shall implement the Admin- |
| 13 | istration's programs for the development of business |
| 14 | enterprises by Native Americans. |
| 15 | "(2) Purpose.—The purpose of the Office of |
| 16 | Native American Affairs is to assist Native Amer- |
| 17 | ican entrepreneurs to— |
| 18 | "(A) start, operate, and grow small busi- |
| 19 | ness concerns; |
| 20 | "(B) develop management and technical |
| 21 | skills; |
| 22 | "(C) seek Federal procurement opportuni- |
| 23 | ties; |

| 1 | "(D) increase employment opportunities |
|----|--|
| 2 | for Native Americans through the start and ex- |
| 3 | pansion of small business concerns; and |
| 4 | "(E) increase the access of Native Ameri- |
| 5 | cans to capital markets. |
| 6 | "(3) Assistant administrator.— |
| 7 | "(A) APPOINTMENT.—The Administrator |
| 8 | shall appoint a qualified individual to serve as |
| 9 | Assistant Administrator of the Office of Native |
| 10 | American Affairs in accordance with this para- |
| 11 | graph. |
| 12 | "(B) QUALIFICATIONS.—The Assistant |
| 13 | Administrator appointed under subparagraph |
| 14 | (A) shall have— |
| 15 | "(i) knowledge of the Native Amer- |
| 16 | ican culture; and |
| 17 | "(ii) experience providing culturally |
| 18 | tailored small business development assist- |
| 19 | ance to Native Americans. |
| 20 | "(C) Employment status.—The Assist- |
| 21 | ant Administrator shall be a Senior Executive |
| 22 | Service position under section 3132(a)(2) of |
| 23 | title 5, United States Code, and shall serve as |
| 24 | a noncareer appointee, as defined in section |
| 25 | 3132(a)(7) of title 5, United States Code. |

| 1 | "(D) RESPONSIBILITIES AND DUTIES.— |
|----|--|
| 2 | The Assistant Administrator shall— |
| 3 | "(i) administer and manage the Na- |
| 4 | tive American Small Business Development |
| 5 | program established under this section; |
| 6 | "(ii) recommend the annual adminis- |
| 7 | trative and program budgets for the Office |
| 8 | of Native American Affairs; |
| 9 | "(iii) establish appropriate funding |
| 10 | levels; |
| 11 | "(iv) review the annual budgets sub- |
| 12 | mitted by each applicant for the Native |
| 13 | American Small Business Development |
| 14 | program; |
| 15 | "(v) select applicants to participate in |
| 16 | the program under this section; |
| 17 | "(vi) implement this section; and |
| 18 | "(vii) maintain a clearinghouse to pro- |
| 19 | vide for the dissemination and exchange of |
| 20 | information between Native American busi- |
| 21 | ness centers. |
| 22 | "(E) Consultation requirements.—In |
| 23 | carrying out the responsibilities and duties de- |
| 24 | scribed in this paragraph, the Assistant Admin- |

| 1 | istrator shall confer with and seek the advice |
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| 2 | of— |
| 3 | "(i) Administration officials working |
| 4 | in areas served by Native American busi- |
| 5 | ness centers and Native American business |
| 6 | development centers; |
| 7 | "(ii) the Bureau of Indian Affairs of |
| 8 | the Department of the Interior; |
| 9 | "(iii) tribal governments; |
| 10 | "(iv) tribal colleges; |
| 11 | "(v) Alaska Native corporations; and |
| 12 | "(vi) Native Hawaiian organizations. |
| 13 | "(c) Native American Small Business Develop- |
| 14 | MENT PROGRAM.— |
| 15 | "(1) Authorization.— |
| 16 | "(A) In General.—The Administration, |
| 17 | through the Office of Native American Affairs, |
| 18 | shall provide financial assistance to tribal gov- |
| 19 | ernments, tribal colleges, Native Hawaiian or- |
| 20 | ganizations, and Alaska Native corporations to |
| 21 | create Native American business centers in ac- |
| 22 | cordance with this section. |
| 23 | "(B) RESOURCE ASSISTANCE.—The Ad- |
| 24 | ministration may also provide in-kind resource |
| 25 | assistance to Native American business centers |

| 1 | located on tribal lands. Such assistance may |
|----|---|
| 2 | include— |
| 3 | "(i) personal computers; |
| 4 | "(ii) graphic workstations; |
| 5 | "(iii) CD-ROM technology and inter- |
| 6 | active videos; |
| 7 | "(iv) distance learning business-re- |
| 8 | lated training courses; |
| 9 | "(v) computer software; and |
| 10 | "(vi) reference materials. |
| 11 | "(C) USE OF FUNDS.—The financial and |
| 12 | resource assistance provided under this sub- |
| 13 | section shall be used to overcome obstacles im- |
| 14 | peding the creation, development, and expan- |
| 15 | sion of small business concerns, in accordance |
| 16 | with this section, by— |
| 17 | "(i) reservation-based American Indi- |
| 18 | ans; |
| 19 | "(ii) Alaska Natives; and |
| 20 | "(iii) Native Hawaiians. |
| 21 | "(2) 5-YEAR PROJECTS.— |
| 22 | "(A) In General.—Each Native Amer- |
| 23 | ican business center that receives assistance |
| 24 | under paragraph (1)(A) shall conduct 5-year |

| 1 | projects that offer culturally tailored business |
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| 2 | development assistance in the form of— |
| 3 | "(i) financial education, including |
| 4 | training and counseling in— |
| 5 | "(I) applying for and securing |
| 6 | business credit and investment cap- |
| 7 | ital; |
| 8 | "(II) preparing and presenting fi- |
| 9 | nancial statements; and |
| 10 | "(III) managing cash flow and |
| 11 | other financial operations of a busi- |
| 12 | ness concern; |
| 13 | "(ii) management education, including |
| 14 | training and counseling in planning, orga- |
| 15 | nizing, staffing, directing, and controlling |
| 16 | each major activity and function of a small |
| 17 | business concern; and |
| 18 | "(iii) marketing education, including |
| 19 | training and counseling in— |
| 20 | "(I) identifying and segmenting |
| 21 | domestic and international market op- |
| 22 | portunities; |
| 23 | "(II) preparing and executing |
| 24 | marketing plans; |

| 1 | "(III) developing pricing strate- |
|----|--|
| 2 | ${ m gies};$ |
| 3 | "(IV) locating contract opportu- |
| 4 | nities; |
| 5 | "(V) negotiating contracts; and |
| 6 | "(VI) utilizing varying public re- |
| 7 | lations and advertising techniques. |
| 8 | "(B) Business development assist- |
| 9 | ANCE RECIPIENTS.—The business development |
| 10 | assistance under subparagraph (A) shall be of- |
| 11 | fered to prospective and current owners of small |
| 12 | business concerns that are owned by— |
| 13 | "(i) American Indians or tribal gov- |
| 14 | ernments, and located on or near tribal |
| 15 | lands; |
| 16 | "(ii) Alaska Natives or Alaska Native |
| 17 | corporations; or |
| 18 | "(iii) Native Hawaiians or Native Ha- |
| 19 | waiian organizations. |
| 20 | "(3) Form of federal financial assist- |
| 21 | ANCE.— |
| 22 | "(A) Documentation.— |
| 23 | "(i) In general.—The financial as- |
| 24 | sistance to Native American business cen- |
| 25 | ters authorized under this subsection may |

| 1 | be made by grant, contract, or cooperative |
|----|--|
| 2 | agreement. |
| 3 | "(ii) Exception.—Financial assist- |
| 4 | ance under this subsection to Alaska Na- |
| 5 | tive corporations or Native Hawaiian orga- |
| 6 | nizations may only be made by grant. |
| 7 | "(B) Payments.— |
| 8 | "(i) Timing.—Payments made under |
| 9 | this subsection may be disbursed— |
| 10 | "(I) in a single lump sum or in |
| 11 | periodic installments; and |
| 12 | "(II) in advance or after costs |
| 13 | are incurred. |
| 14 | "(ii) ADVANCE.—The Administration |
| 15 | may disburse not more than 25 percent of |
| 16 | the annual amount of Federal financial as- |
| 17 | sistance awarded to a Native American |
| 18 | small business center after notice of the |
| 19 | award has been issued. |
| 20 | "(iii) No matching requirement.— |
| 21 | The Administration shall not require a |
| 22 | grant recipient to match grant funding re- |
| 23 | ceived under this subsection with non-Fed- |
| 24 | eral resources as a condition of receiving |
| 25 | the grant. |

"(4) Contract and cooperative agreeMent Authority.—A Native American business
center may enter into a contract or cooperative
agreement with a Federal department or agency to
provide specific assistance to Native American and
other under-served small business concerns located
on or near tribal lands, to the extent that such contract or cooperative agreement is consistent with the
terms of any assistance received by the Native
American business center from the Administration.

"(5) Application process.—

"(A) Submission of a 5-year plan.—

"(A) Submission of a 5-year plan.— Each applicant for assistance under paragraph (1) shall submit a 5-year plan to the Administration on proposed assistance and training activities.

"(B) Criteria.—

"(i) IN GENERAL.—The Administration shall evaluate and rank applicants in accordance with predetermined selection criteria that shall be stated in terms of relative importance.

"(ii) PUBLIC NOTICE.—The criteria required by this paragraph and their relative importance shall be made publicly

| 1 | available, within a reasonable time, and |
|----|--|
| 2 | stated in each solicitation for applications |
| 3 | made by the Administration. |
| 4 | "(iii) Considerations.—The criteria |
| 5 | required by this paragraph shall include— |
| 6 | "(I) the experience of the appli- |
| 7 | cant in conducting programs or ongo- |
| 8 | ing efforts designed to impart or up- |
| 9 | grade the business skills of current or |
| 10 | potential owners of Native American |
| 11 | small business concerns; |
| 12 | "(II) the ability of the applicant |
| 13 | to commence a project within a min- |
| 14 | imum amount of time; |
| 15 | "(III) the ability of the applicant |
| 16 | to provide training and services to a |
| 17 | representative number of Native |
| 18 | Americans; |
| 19 | "(IV) previous assistance from |
| 20 | the Small Business Administration to |
| 21 | provide services in Native American |
| 22 | communities; and |
| 23 | "(V) the proposed location for |
| 24 | the Native American business center |
| 25 | site, with priority given based on the |

| 1 | proximity of the center to the popu- |
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| 2 | lation being served and to achieve a |
| 3 | broad geographic dispersion of the |
| 4 | centers. |
| 5 | "(6) Program examination.— |
| 6 | "(A) IN GENERAL.—Each Native Amer- |
| 7 | ican business center established pursuant to |
| 8 | this subsection shall annually provide the Ad- |
| 9 | ministration with an itemized cost breakdown of |
| 10 | actual expenditures incurred during the pre- |
| 11 | ceding year. |
| 12 | "(B) Administration action.—Based on |
| 13 | information received under subparagraph (A), |
| 14 | the Administration shall— |
| 15 | "(i) develop and implement an annual |
| 16 | programmatic and financial examination of |
| 17 | each Native American business center as- |
| 18 | sisted pursuant to this subsection; and |
| 19 | "(ii) analyze the results of each exam- |
| 20 | ination conducted under clause (i) to deter- |
| 21 | mine the programmatic and financial via- |
| 22 | bility of each Native American business |
| 23 | center. |
| 24 | "(C) Conditions for continued fund- |
| 25 | ING.—In determining whether to renew a grant, |

| 1 | contract, or cooperative agreement with a Na- |
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| 2 | tive American business center, the |
| 3 | Administration— |
| 4 | "(i) shall consider the results of the |
| 5 | most recent examination of the center |
| 6 | under subparagraph (B), and, to a lesser |
| 7 | extent, previous examinations; and |
| 8 | "(ii) may withhold such renewal, if |
| 9 | the Administration determines that— |
| 10 | "(I) the center has failed to pro- |
| 11 | vide any information required to be |
| 12 | provided under subparagraph (A), or |
| 13 | the information provided by the center |
| 14 | is inadequate; |
| 15 | "(II) the center has failed to pro- |
| 16 | vide any information required to be |
| 17 | provided by the center for purposes of |
| 18 | the report of the Administration |
| 19 | under subparagraph (E); or |
| 20 | "(III) the information required to |
| 21 | be provided by the center is incom- |
| 22 | plete. |
| 23 | "(D) Continuing contract and coop- |
| 24 | ERATIVE AGREEMENT AUTHORITY.— |

| 1 | "(i) In general.—The authority of |
|---|---|
| 2 | the Administrator to enter into contracts |
| 3 | or cooperative agreements in accordance |
| 4 | with this subsection shall be in effect for |
| 5 | each fiscal year only to the extent and in |
| 6 | the amounts as are provided in advance in |
| 7 | appropriations Acts. |
| | |

"(ii) Renewal.—After the Administrator has entered into a contract or cooperative agreement with any Native American business center under this subsection, it shall not suspend, terminate, or fail to renew or extend any such contract or cooperative agreement unless the Administrator provides the center with written notification setting forth the reasons therefore and affords the center an opportunity for a hearing, appeal, or other administrative proceeding under chapter 5 of title 5, United States Code.

"(E) MANAGEMENT REPORT.—

"(i) IN GENERAL.—The Administration shall prepare and submit to the Committee on Small Business of the House of Representatives and the Committee on

| 1 | Small Business and Entrepreneurship of |
|----|--|
| 2 | the Senate an annual report on the effec- |
| 3 | tiveness of all projects conducted by Native |
| 4 | American business centers under this sub- |
| 5 | section and any pilot programs adminis- |
| 6 | tered by the Office of Native American Af- |
| 7 | fairs. |
| 8 | "(ii) Contents.—Each report sub- |
| 9 | mitted under clause (i) shall include, with |
| 10 | respect to each Native American business |
| 11 | center receiving financial assistance under |
| 12 | this subsection— |
| 13 | "(I) the number of individuals re- |
| 14 | ceiving assistance from the Native |
| 15 | American business center; |
| 16 | "(II) the number of startup busi- |
| 17 | ness concerns formed; |
| 18 | "(III) the gross receipts of as- |
| 19 | sisted concerns; |
| 20 | "(IV) the employment increases |
| 21 | or decreases of Native American small |
| 22 | business concerns assisted by the cen- |
| 23 | ter since receiving funding under this |
| 24 | $\operatorname{Act};$ |

| 1 | "(V) to the maximum extent |
|----|--|
| 2 | practicable, increases or decreases in |
| 3 | profits of Native American small busi- |
| 4 | ness concerns assisted by the center |
| 5 | since receiving funding under this Act; |
| 6 | and |
| 7 | "(VI) the most recent examina- |
| 8 | tion, as required under subparagraph |
| 9 | (B), and the subsequent determina- |
| 10 | tion made by the Administration |
| 11 | under that subparagraph. |
| 12 | "(7) Annual Report.—Each entity receiving |
| 13 | financial assistance under this subsection shall annu- |
| 14 | ally report to the Administration on the services pro- |
| 15 | vided with such financial assistance, including— |
| 16 | "(A) the number of individuals assisted, |
| 17 | categorized by ethnicity; |
| 18 | "(B) the number of hours spent providing |
| 19 | counseling and training for those individuals; |
| 20 | "(C) the number of startup small business |
| 21 | concerns formed, maintained, and lost; |
| 22 | "(D) the gross receipts of assisted small |
| 23 | business concerns; |

| 1 | "(E) the number of jobs created, main- |
|----|---|
| 2 | tained, or lost at assisted small business con- |
| 3 | cerns; and |
| 4 | "(F) the number of Native American jobs |
| 5 | created, maintained, or lost at assisted small |
| 6 | business concerns. |
| 7 | "(8) RECORD RETENTION.— |
| 8 | "(A) APPLICATIONS.—The Administration |
| 9 | shall maintain a copy of each application sub- |
| 10 | mitted under this subsection for not less than |
| 11 | 10 years. |
| 12 | "(B) ANNUAL REPORTS.—The Administra- |
| 13 | tion shall maintain copies of the information |
| 14 | collected under paragraph (6)(A) indefinitely. |
| 15 | "(d) AUTHORIZATION OF APPROPRIATIONS.—There |
| 16 | are authorized to be appropriated \$5,000,000 for each of |
| 17 | the fiscal years 2003 through 2007, to carry out the Na- |
| 18 | tive American Small Business Development Program, au- |
| 19 | thorized under subsection (c).". |
| 20 | SEC. 3. PILOT PROGRAMS. |
| 21 | (a) Definitions.—In this section: |
| 22 | (1) Incorporation by reference.—The |
| 23 | terms defined in section 36(a) of the Small Business |
| 24 | Act (as added by this Act) have the same meanings |
| 25 | as in that section 36(a) when used in this section. |

| 1 | (2) Administrator.—The term "Administrator. |
|----|---|
| 2 | trator" means the Administrator of the Small Busi- |
| 3 | ness Administration. |
| 4 | (3) Joint project.—The term "joint project" |
| 5 | means the combined resources and expertise of 2 or |
| 6 | more distinct entities at a physical location dedi- |
| 7 | cated to assisting the Native American community |
| 8 | (b) Native American Development Grant Pilot |
| 9 | Program.— |
| 10 | (1) Authorization.— |
| 11 | (A) In general.—There is established a |
| 12 | 4-year pilot program under which the Adminis- |
| 13 | tration is authorized to award Native American |
| 14 | development grants to provide culturally-tai- |
| 15 | lored business development training and related |
| 16 | services to Native Americans and Native Amer- |
| 17 | ican small business concerns. |
| 18 | (B) ELIGIBLE ORGANIZATIONS.—The |
| 19 | grants authorized under subparagraph (A) may |
| 20 | be awarded to— |
| 21 | (i) any small business development |
| 22 | center; or |
| 23 | (ii) any private, nonprofit organization |
| 24 | that— |

| 1 | (I) has tribal government mem- |
|----|---|
| 2 | bers, or their designees, comprising a |
| 3 | majority of its board of directors; |
| 4 | (II) is a Native Hawaiian organi- |
| 5 | zation; or |
| 6 | (III) is an Alaska Native cor- |
| 7 | poration. |
| 8 | (C) Amounts.—The Administration shall |
| 9 | not award a grant under this subsection in an |
| 10 | amount which exceeds \$100,000 for each year |
| 11 | of the project. |
| 12 | (D) Grant duration.—Each grant under |
| 13 | this subsection shall be awarded for not less |
| 14 | than a 2-year period and not more than a 4- |
| 15 | year period. |
| 16 | (2) Conditions for participation.—Each |
| 17 | entity desiring a grant under this subsection shall |
| 18 | submit an application to the Administration that |
| 19 | contains— |
| 20 | (A) a certification that the applicant— |
| 21 | (i) is a small business development |
| 22 | center or a private, nonprofit organization |
| 23 | under paragraph (1)(B)(i): |

| 1 | (ii) employs a full-time executive di- |
|----|---|
| 2 | rector or program manager to manage the |
| 3 | facility; and |
| 4 | (iii) agrees— |
| 5 | (I) to a site visit as part of the |
| 6 | final selection process; |
| 7 | (II) to an annual programmatic |
| 8 | and financial examination; and |
| 9 | (III) to the maximum extent |
| 10 | practicable, to remedy any problems |
| 11 | identified pursuant to that site visit or |
| 12 | examination; |
| 13 | (B) information demonstrating that the |
| 14 | applicant has the ability and resources to meet |
| 15 | the needs, including cultural needs, of the Na- |
| 16 | tive Americans to be served by the grant; |
| 17 | (C) information relating to proposed assist- |
| 18 | ance that the grant will provide, including— |
| 19 | (i) the number of individuals to be as- |
| 20 | sisted; and |
| 21 | (ii) the number of hours of counseling, |
| 22 | training, and workshops to be provided; |
| 23 | (D) information demonstrating the effec- |
| 24 | tive experience of the applicant in— |

| 1 | (i) conducting financial, management, |
|----|--|
| 2 | and marketing assistance programs de- |
| 3 | signed to impart or upgrade the business |
| 4 | skills of current or prospective Native |
| 5 | American business owners; |
| 6 | (ii) providing training and services to |
| 7 | a representative number of Native Ameri- |
| 8 | cans; |
| 9 | (iii) using resource partners of the |
| 10 | Administration and other entities, includ- |
| 11 | ing universities, tribal governments, or |
| 12 | tribal colleges; and |
| 13 | (iv) the prudent management of fi- |
| 14 | nances and staffing; |
| 15 | (E) the location where the applicant will |
| 16 | provide training and services to Native Ameri- |
| 17 | cans; and |
| 18 | (F) a multiyear plan, corresponding to the |
| 19 | length of the grant, that describes— |
| 20 | (i) the number of Native Americans |
| 21 | and Native American small business con- |
| 22 | cerns to be served by the grant; |
| 23 | (ii) in the continental United States, |
| 24 | the number of Native Americans to be |
| 25 | served by the grant; and |

| 1 | (iii) the training and services to be |
|----|---|
| 2 | provided to a representative number of Na- |
| 3 | tive Americans. |
| 4 | (3) Review of Applications.—The Adminis- |
| 5 | tration shall— |
| 6 | (A) evaluate and rank applicants under |
| 7 | paragraph (2) in accordance with predeter- |
| 8 | mined selection criteria that is stated in terms |
| 9 | of relative importance; |
| 10 | (B) include such criteria in each solicita- |
| 11 | tion under this subsection and make such infor- |
| 12 | mation available to the public; and |
| 13 | (C) approve or disapprove each completed |
| 14 | application submitted under this subsection not |
| 15 | more than 60 days after submission. |
| 16 | (4) Annual Report.—Each recipient of a Na- |
| 17 | tive American development grant under this sub- |
| 18 | section shall annually report to the Administration |
| 19 | on the impact of the grant funding, including— |
| 20 | (A) the number of individuals assisted, cat- |
| 21 | egorized by ethnicity; |
| 22 | (B) the number of hours spent providing |
| 23 | counseling and training for those individuals; |
| 24 | (C) the number of startup small business |
| 25 | concerns formed, maintained, and lost: |

| 1 | (D) the gross receipts of assisted small |
|----|---|
| 2 | business concerns; |
| 3 | (E) the number of jobs created, main- |
| 4 | tained, or lost at assisted small business con- |
| 5 | cerns; and |
| 6 | (F) the number of Native American jobs |
| 7 | created, maintained, or lost at assisted small |
| 8 | business concerns. |
| 9 | (5) Record retention.— |
| 10 | (A) APPLICATIONS.—The Administration |
| 11 | shall maintain a copy of each application sub- |
| 12 | mitted under this subsection for not less than |
| 13 | 10 years. |
| 14 | (B) Annual Reports.—The Administra- |
| 15 | tion shall maintain copies of the information |
| 16 | collected under paragraph (4) indefinitely. |
| 17 | (c) American Indian Tribal Assistance Center |
| 18 | GRANT PILOT PROGRAM.— |
| 19 | (1) Authorization.— |
| 20 | (A) IN GENERAL.—There is established a |
| 21 | 4-year pilot program, under which the Adminis- |
| 22 | tration shall award not less than 3 American |
| 23 | Indian Tribal Assistance Center grants to es- |
| 24 | tablish joint projects to provide culturally tai- |
| 25 | lored business development assistance to pro- |

| 1 | spective and current owners of small business |
|----|---|
| 2 | concerns located on or near tribal lands. |
| 3 | (B) ELIGIBLE ORGANIZATIONS.— |
| 4 | (i) Class 1.—Not fewer than 1 grant |
| 5 | shall be awarded to a joint project per- |
| 6 | formed by a Native American business cen- |
| 7 | ter, a Native American business develop- |
| 8 | ment center, and a small business develop- |
| 9 | ment center. |
| 10 | (ii) Class 2.—Not fewer than 2 |
| 11 | grants shall be awarded to joint projects |
| 12 | performed by a Native American business |
| 13 | center and a Native American business de- |
| 14 | velopment center. |
| 15 | (C) Amounts.—The Administration shall |
| 16 | not award a grant under this subsection in an |
| 17 | amount which exceeds \$200,000 for each year |
| 18 | of the project. |
| 19 | (D) Grant duration.—Each grant under |
| 20 | this subsection shall be awarded for a 3-year |
| 21 | period. |
| 22 | (2) CONDITIONS FOR PARTICIPATION.—Each |
| 23 | entity desiring a grant under this subsection shall |
| 24 | submit to the Administration a joint application that |
| 25 | contains |

| 1 | (A) a certification that each participant of |
|----|--|
| 2 | the joint application— |
| 3 | (i) is either a Native American Busi- |
| 4 | ness Center, a Native American Business |
| 5 | Development Center, or a Small Business |
| 6 | Development Center; |
| 7 | (ii) employs a full-time executive di- |
| 8 | rector or program manager to manage the |
| 9 | center; and |
| 10 | (iii) as a condition of receiving the |
| 11 | American Indian Tribal Assistance Center |
| 12 | grant, agrees— |
| 13 | (I) to an annual programmatic |
| 14 | and financial examination; and |
| 15 | (II) to the maximum extent prac- |
| 16 | ticable, to remedy any problems iden- |
| 17 | tified pursuant to that examination; |
| 18 | (B) information demonstrating a historic |
| 19 | commitment to providing assistance to Native |
| 20 | Americans— |
| 21 | (i) residing on or near tribal lands; or |
| 22 | (ii) operating a small business concern |
| 23 | on or near tribal lands; |
| 24 | (C) information demonstrating that each |
| 25 | participant of the joint application has the abil- |

| 1 | ity and resources to meet the needs, including |
|----|--|
| 2 | the cultural needs of the Native Americans to |
| 3 | be served by the grant; |
| 4 | (D) information relating to proposed as- |
| 5 | sistance that the grant will provide, including— |
| 6 | (i) the number of individuals to be as- |
| 7 | sisted; and |
| 8 | (ii) the number of hours of counseling, |
| 9 | training, and workshops to be provided; |
| 10 | (E) information demonstrating the effec- |
| 11 | tive experience of each participant of the joint |
| 12 | application in— |
| 13 | (i) conducting financial, management, |
| 14 | and marketing assistance programs, as de- |
| 15 | scribed above, designed to impart or up- |
| 16 | grade the business skills of current or pro- |
| 17 | spective Native American business owners; |
| 18 | and |
| 19 | (ii) the prudent management of fi- |
| 20 | nances and staffing; and |
| 21 | (F) a plan for the length of the grant, that |
| 22 | describes— |
| 23 | (i) the number of Native Americans |
| 24 | and Native American small business con- |
| 25 | cerns to be served by the grant; and |

| 1 | (ii) the training and services to be |
|----|---|
| 2 | provided. |
| 3 | (3) REVIEW OF APPLICATIONS.—The Adminis- |
| 4 | tration shall— |
| 5 | (A) evaluate and rank applicants under |
| 6 | paragraph (2) in accordance with predeter- |
| 7 | mined selection criteria that is stated in terms |
| 8 | of relative importance; |
| 9 | (B) include such criteria in each solicita- |
| 10 | tion under this subsection and make such infor- |
| 11 | mation available to the public; and |
| 12 | (C) approve or disapprove each application |
| 13 | submitted under this subsection not more than |
| 14 | 60 days after submission. |
| 15 | (4) Annual Report.—Each recipient of an |
| 16 | American Indian tribal assistance center grant |
| 17 | under this subsection shall annually report to the |
| 18 | Administration on the impact of the grant funding |
| 19 | received during the reporting year, and the cumu- |
| 20 | lative impact of the grant funding received since the |
| 21 | initiation of the grant, including— |
| 22 | (A) the number of individuals assisted, cat- |
| 23 | egorized by ethnicity; |
| 24 | (B) the number of hours of counseling and |
| 25 | training provided and workshops conducted: |

| 1 | (C) the number of startup business con- |
|----|--|
| 2 | cerns formed, maintained, and lost; |
| 3 | (D) the gross receipts of assisted small |
| 4 | business concerns; |
| 5 | (E) the number of jobs created, main- |
| 6 | tained, or lost at assisted small business con- |
| 7 | cerns; and |
| 8 | (F) the number of Native American jobs |
| 9 | created, maintained, or lost at assisted small |
| 10 | business concerns. |
| 11 | (5) Record Retention.— |
| 12 | (A) APPLICATIONS.—The Administration |
| 13 | shall maintain a copy of each application sub- |
| 14 | mitted under this subsection for not less than |
| 15 | 10 years. |
| 16 | (B) Annual reports.—The Administra- |
| 17 | tion shall maintain copies of the information |
| 18 | collected under paragraph (4) indefinitely. |
| 19 | (d) Authorization of Appropriations.—There |
| 20 | are authorized to be appropriated— |
| 21 | (1) \$1,000,000 for each of the fiscal years 2003 |
| 22 | through 2006, to carry out the Native American De- |
| 23 | velopment Grant Pilot Program, authorized under |
| 24 | subsection (b); and |

1 (2) \$1,000,000 for each of the fiscal years 2003 2 through 2006, to carry out the American Indian 3 Tribal Assistance Center Grant Pilot Program, au-4 thorized under subsection (c).

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